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**SUBSTITUTE SENATE BILL 5658**

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**State of Washington**

**62nd Legislature**

**2011 Regular Session**

**By** Senate Transportation (originally sponsored by Senators King, Haugen, and Shin)

READ FIRST TIME 02/23/11.

1           AN ACT Relating to the sale or exchange of surplus real property by  
2 the department of transportation; amending RCW 47.12.063 and 47.12.063;  
3 providing an effective date; and providing an expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5           **Sec. 1.** RCW 47.12.063 and 2010 c 157 s 1 are each amended to read  
6 as follows:

7           ~~(1) ((It is the intent of the legislature to continue the~~  
8 ~~department's policy giving priority consideration to abutting property~~  
9 ~~owners in agricultural areas when disposing of property through its~~  
10 ~~surplus property program under this section.~~

11           (2)) Whenever the department determines that any real property  
12 owned by the state of Washington and under the jurisdiction of the  
13 department is no longer required for transportation purposes and that  
14 it is in the public interest to do so, the department may sell the  
15 property or exchange it in full or part consideration for land or  
16 improvements or for construction of improvements at fair market value  
17 to any person through the solicitation of written bids through public  
18 advertising in the manner prescribed under RCW 47.28.050 or in the  
19 manner prescribed under RCW 47.12.283.

1        (2) The department may forego the processes prescribed by RCW  
2 47.28.050 and 47.12.283 and sell the real property to any of the  
3 following ((governmental)) entities or persons at fair market value:

4        (a) Any other state agency;

5        (b) The city or county in which the property is situated;

6        (c) Any other municipal corporation;

7        (d) Regional transit authorities created under chapter 81.112 RCW;

8        (e) The former owner of the property from whom the state acquired  
9 title;

10       (f) In the case of residentially improved property, a tenant of the  
11 department who has resided thereon for not less than six months and who  
12 is not delinquent in paying rent to the state;

13       (g) Any abutting private owner but only after each other abutting  
14 private owner (if any), as shown in the records of the county assessor,  
15 is notified in writing of the proposed sale. If more than one abutting  
16 private owner requests in writing the right to purchase the property  
17 within fifteen days after receiving notice of the proposed sale, the  
18 property shall be sold at public auction in the manner provided in RCW  
19 47.12.283;

20       (h) ~~((To any person through the solicitation of written bids~~  
21 ~~through public advertising in the manner prescribed by RCW 47.28.050;~~

22       ~~(i))~~ To any other owner of real property required for  
23 transportation purposes;

24       ~~((j))~~ (i) In the case of property suitable for residential use,  
25 any nonprofit organization dedicated to providing affordable housing to  
26 very low-income, low-income, and moderate-income households as defined  
27 in RCW 43.63A.510 and is eligible to receive assistance through the  
28 Washington housing trust fund created in chapter 43.185 RCW;

29       ~~((k))~~ (j) A federally qualified community health center as  
30 defined in RCW 82.04.4311; or

31       ~~((l))~~ (k) A federally recognized Indian tribe within whose  
32 reservation boundary the property is located.

33       (3) When selling real property pursuant to RCW 47.12.283, the  
34 department may withhold or withdraw the property from an auction when  
35 requested by one of the entities or persons listed in subsection (2) of  
36 this section and only after the receipt of a nonrefundable deposit  
37 equal to ten percent of the fair market value of the real property or  
38 five thousand dollars, whichever is less. This subsection does not

1 prohibit the department from exercising its discretion to withhold or  
2 withdraw the real property from an auction if the department determines  
3 that the property is no longer surplus or chooses to sell the property  
4 through one of the other means listed in subsection (1) of this  
5 section. If a transaction under this subsection is not completed  
6 within sixty days, the real property must be put back up for sale.

7 (4) Sales to purchasers may at the department's option be for cash,  
8 by real estate contract, or exchange of land or improvements.  
9 Transactions involving the construction of improvements must be  
10 conducted pursuant to chapter 47.28 RCW (~~(or)~~) and Title 39 RCW, as  
11 applicable, and must comply with all other applicable laws and rules.

12 (~~(4)~~) (5) Conveyances made pursuant to this section shall be by  
13 deed executed by the secretary of transportation and shall be duly  
14 acknowledged.

15 (~~(5)~~) (6) Unless otherwise provided, all moneys received pursuant  
16 to the provisions of this section less any real estate broker  
17 commissions paid pursuant to RCW 47.12.320 shall be deposited in the  
18 motor vehicle fund.

19 **Sec. 2.** RCW 47.12.063 and 2006 c 17 s 2 are each amended to read  
20 as follows:

21 (~~(1) (It is the intent of the legislature to continue the~~  
22 ~~department's policy giving priority consideration to abutting property~~  
23 ~~owners in agricultural areas when disposing of property through its~~  
24 ~~surplus property program under this section.~~

25 (2)) Whenever the department determines that any real property  
26 owned by the state of Washington and under the jurisdiction of the  
27 department is no longer required for transportation purposes and that  
28 it is in the public interest to do so, the department may sell the  
29 property or exchange it in full or part consideration for land or  
30 improvements or for construction of improvements at fair market value  
31 to any person through the solicitation of written bids through public  
32 advertising in the manner prescribed under RCW 47.28.050 or in the  
33 manner prescribed under RCW 47.12.283.

34 (2) The department may forego the processes prescribed by RCW  
35 47.28.050 and 47.12.283 and sell the real property to any of the  
36 following (~~(governmental)~~) entities or persons at fair market value:

37 (a) Any other state agency;

1 (b) The city or county in which the property is situated;

2 (c) Any other municipal corporation;

3 (d) Regional transit authorities created under chapter 81.112 RCW;

4 (e) The former owner of the property from whom the state acquired  
5 title;

6 (f) In the case of residentially improved property, a tenant of the  
7 department who has resided thereon for not less than six months and who  
8 is not delinquent in paying rent to the state;

9 (g) Any abutting private owner but only after each other abutting  
10 private owner (if any), as shown in the records of the county assessor,  
11 is notified in writing of the proposed sale. If more than one abutting  
12 private owner requests in writing the right to purchase the property  
13 within fifteen days after receiving notice of the proposed sale, the  
14 property shall be sold at public auction in the manner provided in RCW  
15 47.12.283;

16 (h) ~~((To any person through the solicitation of written bids  
17 through public advertising in the manner prescribed by RCW 47.28.050;~~

18 ~~(+))~~ To any other owner of real property required for  
19 transportation purposes;

20 ~~((+))~~ (i) In the case of property suitable for residential use,  
21 any nonprofit organization dedicated to providing affordable housing to  
22 very low-income, low-income, and moderate-income households as defined  
23 in RCW 43.63A.510 and is eligible to receive assistance through the  
24 Washington housing trust fund created in chapter 43.185 RCW; or

25 ~~((+))~~ (j) A federally recognized Indian tribe within whose  
26 reservation boundary the property is located.

27 (3) When selling real property pursuant to RCW 47.12.283, the  
28 department may withhold or withdraw the property from an auction when  
29 requested by one of the entities or persons listed in subsection (2) of  
30 this section and only after the receipt of a nonrefundable deposit  
31 equal to ten percent of the fair market value of the real property or  
32 five thousand dollars, whichever is less. This subsection does not  
33 prohibit the department from exercising its discretion to withhold or  
34 withdraw the real property from an auction if the department determines  
35 that the property is no longer surplus or chooses to sell the property  
36 through one of the other means listed in subsection (1) of this  
37 section. If a transaction under this subsection is not completed  
38 within sixty days, the real property must be put back up for sale.

1        (4) Sales to purchasers may at the department's option be for cash,  
2 by real estate contract, or exchange of land or improvements.  
3 Transactions involving the construction of improvements must be  
4 conducted pursuant to chapter 47.28 RCW (~~(4)~~) and Title 39 RCW, as  
5 applicable, and must comply with all other applicable laws and rules.

6        (~~(4)~~) (5) Conveyances made pursuant to this section shall be by  
7 deed executed by the secretary of transportation and shall be duly  
8 acknowledged.

9        (~~(5)~~) (6) Unless otherwise provided, all moneys received pursuant  
10 to the provisions of this section less any real estate broker  
11 commissions paid pursuant to RCW 47.12.320 shall be deposited in the  
12 motor vehicle fund.

13        NEW SECTION.    **Sec. 3.**    Section 1 of this act expires June 30, 2012.

14        NEW SECTION.    **Sec. 4.**    Section 2 of this act takes effect June 30,  
15 2012.

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